

MEMO

TO: Mayor Lott and City Council
FROM: Bill Niquette and Doug Nedde
DATE: June 16, 2022

RE: Winooski Falls East [Lot 7D]:
Request for Council support to apply for and Implementation Grant of \$500,000 from the Vermont Community Development Program in support of the hotel component

BACKGROUND

The Vermont Community Development Program is a grant program administered by the Vermont Agency of Commerce and Community Development. These are funds received by the State from the Department of Housing and Urban Development under the CDBG (Community Development Block Grant) Program and are competitively awarded to applicants from all communities in Vermont (other than the City of Burlington, which is populous enough to receive its own direct allocation of CDBG funds from HUD annually).

Applications must be made by municipalities, and can be made in support of housing, economic development, or public facilities & services. With some exceptions, projects must be directly in support of low-to-moderate income residents. Where appropriate, grants can be “sub-granted” to non-profit and for-profit partners undertaking eligible activities. More information is available here: <https://accd.vermont.gov/community-development/funding-incentives/vcdp>

As part of our ongoing effort to move this project forward, we have been exploring potential funding for various project components in cooperation with City staff. We feel that an economic development application in support of the hotel will be well-received, given the many employment opportunities it will create for low-to-moderate income households, and in particular households who have been disproportionately impacted by the pandemic.

HISTORY

The City has successfully utilized the VCDP/CDBG program on several occasions, as well as its predecessor program the Urban Development Action Grant extending as far back as the 1980s in support of the renovation of the Champlain Mill and Woolen Mill. Specific to Winooski Falls East, in 2020 then-City CD Director Heather Carrington applied for and received a \$500,000 Implementation Grant through VCDP to support the construction of the parking garage.

SCHEDULE

We are looking to apply for an Implementation Grant at the September 13, 2022, round. The process begins with a “pre-application” in July, and as such the effort will need to begin by the end of this month.

2022 Community Development Board Meetings

Target Dates for Pre-App	Public Hearing Notice Dates	Public Hearing Dates	Submission Date for Application	CD Board Meeting Schedule
Jul. 24, 2022	Aug. 24, 2022	Sep. 8, 2022	Sep. 13, 2022	Nov. 10, 2022

CURRENT REQUEST

We respectfully request that the Council give their preliminary support to an application for Implementation Grant application in the amount of \$500,000 in support of economic development at Winooski Falls East in the September 2022 round. With this support in hand, we will begin the detailed work in collaboration with your staff to prepare a specific pre-application and application package for your final review and approval. Thank you for your time and consideration.